

The background of the image is a solid purple color. Overlaid on this are dark purple silhouettes of approximately 15-20 business professionals in a meeting. Some are standing and talking, others are seated at tables. The silhouettes are arranged in a way that suggests a collaborative work environment. A white speech bubble with a tail pointing towards the bottom left is centered in the upper half of the image.

BUILD A BETTER BOARD

AGB CONSULTING



BASIC BOARD MEMBER ROLES AND RESPONSIBILITIES: SUSTAINING INSTITUTIONAL AUTONOMY AND BOARD INDEPENDENCE

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George Pernsteiner
Chancellor Emeritus,
Oregon University System
Senior Fellow Consultant

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What Does Texas Law Require?

- Fiduciary responsibility
- Appointment of Chancellor/Presidents
- Clearly define mission
- Ensure autonomy
- Outreach to external constituencies

What Does Texas Law Require?

- Enhance public image
- Nurture institution
- Provide policy direction
- Adopt transfer policy
- State institution positions to Commission

Other Essential Responsibilities

- Be accountable to state and public
- Define terms of shared governance
- Understand legal and regulatory environment and ensure compliance with laws and standards
- Conduct business in exemplary way

Public Company Board or Public Sector Board

Public Company*

- Responsible to Shareholders
- No conflicts of interest
- Duty of Loyalty
- Duty of Unity
- Duty of Confidentiality
- Duty of Care/Fiduciary
- Duty of Candor
- Duty to Disclose (materiality)

Public College/University

- Responsible to Citizens
- No conflicts of interest
- Duty of Loyalty
- Duty of Unity
- Duty of Confidentiality
- Duty of Care/Fiduciary
- Right to Speak
- Public meetings/public records

*Source: Stanford University

The Mission is the Magic

- Boards must ensure an institution fulfills its purpose and mission
- Strategic Planning is the Road Map to Success: aligning purpose, mission, plans, actions, and resources

Ensure the Institution is Fulfilling its Mission

- Meet the needs of Texas and Texans
- Satisfy public purpose
- Ethically, accountably, but autonomously

The Partnership: Board and President



Board of
the
President

1. Clear expectations;
2. Common sense of purpose;
3. Shared vision;
4. Mutually agreed upon plan;
5. Commitment to inclusion of all stake holders.

President
of the
Board

WHY IS AUTONOMY IMPORTANT?

- Accountable to Public: Now and into Future
- Public Funding
- Role of Academy: Preserve, Transmit, Expand Knowledge
- American Tradition of Independent Thought

Influence of External Stakeholders

- Focus on institutional mission and state-wide policy
- Remain open to external inputs.
- Keep board decision-making free of undue pressure
- Protect academic freedom and support due process
- Assure institutional accountability to the public

Board Members Should Not:

- Ask big favors of administrators
- Have conflicts of interest (Texas code)
- Prejudge situations based on outside comments
- Engage in special interest pleading
- Act as if an individual member is the Board
- Reveal Confidences
- Speak for the Board (unless as chair)
- Micro-manage

A President/Chancellor Should Not:

- Keep the board in the dark about issues and possible public embarrassments
- Provide misleading, insufficient, or too much information
- Fail to respect the Board's need to fulfill its fiduciary duties
- Keep silent when a member or the full Board overreaches its authority
- Surprise the Board
- Reveal confidences

“What Makes Great Boards Great?

They Work With Their Presidents To Build
And Sustain Great Institutions.”

Terrence MacTaggart

PERFORMING BOARDS*

- Get the work done/Do things right
- “Good enough”
- Strategic plans

HIGH PERFORMING BOARDS*

- Decide which work is most important/Do the right things
- High, realistic expectations
 - “Best of Kind”
 - “Run your own race”
- Strategies and alignment
 - True to Mission
 - Likely to work
 - Proper Scale
 - Buy-in

PERFORMING BOARDS*

- Incremental improvement
- Reacting to challenges
- Adequate finances

HIGH PERFORMING BOARDS*

- Substantial improvement
 - Quality
 - Educational effectiveness
- Focusing on change
- Financial strength & productivity
 - Growing net assets
 - Productive use of assets
 - Entrepreneurial enterprises
 - Aligned with vision/mission

PERFORMING BOARDS*

- Positive recognition
- Anecdotes
- Attendance

HIGH PERFORMING BOARDS*

- Reputation or brand
 - Regional, national and world
 - Distinctive
 - Socially important
- Measures of what matters
 - Balanced scorecards
 - Transparency
- Engagement
 - Full commitment to mission
 - Attention to top priorities

PERFORMING BOARDS*

- Defer to President
- Cordial

HIGH PERFORMING BOARDS*

- Integral leadership
 - Shared goals
 - Separate emphases
 - Quality President and quality Board working as one
- “Magic of Dialogue”
 - Constructive
 - Informed
 - Unafraid, plain talk

PERFORMING BOARDS*

- Open to change
- 100% Giving

HIGH PERFORMING BOARDS*

- Embracing change
 - Rigorous self-evaluation both group and individual
 - Multi-year comparisons
- High percentage of Transformational Gifts
- IN OTHER WORDS, AN ENGAGED BOARD



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